

MANAGED RISK MEDICAL INSURANCE BOARD

INITIAL STATEMENT OF REASONS

Hearing Date: Not scheduled.

Subject Matter of Proposed Regulations:

To amend the Conflict of Interest Code to include newly established positions.

Sections Affected:

Appendix A, Section 54400, Title 2, California Code of Regulations

Specific Purpose of Each Adoption, Amendment, or Repeal

Appendix A of the Board's Conflict of Interest regulations list those positions who must file a conflict of interest statement, and assigns a disclosure category to each position. These regulations add the positions of Chief Counsel, Assistant Director, Staff Counsel, Staff Administrative Analyst-Accounting Systems, and Senior Information System Analyst (Supervisor), and multiple staff services managers.

Why Each Adoption, Amendment, or Repeal Is Necessary

The Political Reform Act (Government Code Section 81000, et seq.) requires stated and local government agencies to adopt and promulgate conflict of interest codes.

The terms in Section 54400, Appendix A, and Appendix B, Chapter 55, Title 2 of the California Code of Regulations constitute the conflict of interest code for the Managed Risk Medical Insurance Board (MRMIB).

Appendix A contains the positions utilized by MRMIB in its workforce which involve the making or participation in the making of decisions which may foreseeably have a material financial effect on any financial interest.

It is necessary to add persons to the list due to the recent growth in Board staff and the addition of several new types of positions to the Board. The choice of positions was developed through a review of duties by the Chief Counsel through interviews with relevant managers to determine if their duties involved decision making covered under these

regulations.

Underlying Data: (Technical, theoretical or empirical studies or reports relied upon, if any): None

Business Impact: MRMIB has determined that this regulation will not have a significant adverse economic impact on businesses. This regulatory action only pertains to employees of MRMIB.

Specific Technologies or Equipment: This regulation does not mandate the use of specific technologies or equipment.

Consideration of Alternatives: No reasonable alternative which was considered or that has otherwise been identified and brought to the attention of MRMIB would be either more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposed regulation.

Set forth below are the alternatives which were considered and the reasons each alternative was rejected:

No alternatives were considered. The Political Reform Act requires that designated officials and employees required to file statements of economic interest be listed in regulations and that the regulations be amended to reflect creation of new positions that must be designated.